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## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations, which are made under sections 81 to 84 and 94 of the Education Act 1993, replace with modifications the Education (Grant-maintained Schools) (Finance) Regulations 1994 (“the 1994 Regulations”) and the Education (Grant-maintained Special Schools) (Finance) Regulations 1994 (“the 1994 Special Schools Regulations”) which are revoked. The Regulations apply to schools, including special schools, situated in England which have acquired grant-maintained status and in relation to the 1995-96 financial year. The main changes to the provision made by the revoked Regulations are set out below.

Part 2 of the Regulations provides for the determination and redetermination of the amount of maintenance grant to be paid to the governing bodies of primary schools, secondary schools situated outside the areas of the local education authorities specified in Part 3, secondary schools situated in those areas which acquire grant-maintained status after 1st April 1995 and special schools, on a similar basis to that provided for under Part 2 of the 1994 Regulations and the 1994 Special Schools Regulations save that—

- (1) the percentages specified in the table in Schedule 1 are revised;
- (2) provision is made in relation to the calculation of maintenance grant to be paid to schools which become grant-maintained schools pursuant to proposals published by promoters under section 49 of the Education Act 1993 (*regulations 9, 12, 13(4) and 21(4)*);
- (3) the provisions relating to cash protection for schools are modified (*regulation 11*);
- (4) additional provision is made in respect of expenditure on employment of teaching staff to make special provision for pupils belonging to ethnic minorities where the local education authority’s scheme makes no such provision for the financial year in question (*regulation 13(9)*);
- (5) provision is made in relation to deficits and deductions in respect of the budget shares of schools, which become grant-maintained, in the period during which they were county or voluntary schools. Such deficits or deductions may be taken into account in determining the amount of the school’s maintenance grant (*regulations 15 and 16*);
- (6) provision is made for the funding authority to make additional payments in respect of schools which provide education for wide age ranges of pupils (*regulation 23*); and
- (7) provision is made for the funding authority to add to or deduct from amounts determined in respect of a school, other than a special school, which is situated in the area of a local authority which is not the area of the local education authority which previously maintained it (*regulation 24*).

Part 3 of the Regulations makes provision with respect to the determination and redetermination of the amount of maintenance grant payable in respect of a secondary school, or in certain circumstances a primary school which was formerly a secondary school, situated in the area of any of the 22 listed local education authorities, which became a grant-maintained school on or before 1st April 1995. Part 3 does not apply to special schools. The basis of determination is similar to that under Part 3 of the 1994 Regulations save that—

- (1) provision is made for the funding authority to add to a school’s CFF share (as determined under regulation 30(2)) an amount in respect of savings made in the period when it was a county or voluntary school (*regulation 30(9)*);

**Status:** This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

(2) provision is made for the funding authority to deduct from a school's CFF share, deficits incurred in the school's budget share in previous financial years before it became grant-maintained (*regulation 30(10)*);

(3) the existing provision regarding the calculation of a minimum figure (its CFF floor) below which a school's maintenance grant may not fall is expanded (*regulation 31*);

(4) provision is made regarding excluded pupils (*regulations 31(11) and (12) and 33(12)*);

(5) the grounds on which amounts of maintenance grant may be redetermined are extended to include changes in the characteristics of the school. Other changes affecting the needs of the school and circumstances in which the level of expenditure by the local education authority (as shown in their financial statement under section 12(6) of the Education Reform Act 1988) on matters not delegated to schools covered by their scheme of local management in the 1994-95 financial year exceeds the planned level of such expenditure (as shown in the authority's statement under section 42(3) of that Act for that year (*regulation 33(5)*);

(6) schools which had been secondary schools whose maintenance grant was determined under Part 3 but because of a change in character are now deemed primary schools may receive additional funding (*regulation 34*); and

(7) provision is made to adjust for over or under estimates of pupil numbers in certain areas where such estimates were made (*regulation 31 and Schedules 4 and 5*).

Part 4 of the Regulations provides for the payment of capital and special purpose grants on a similar basis to that provided for under Part 4 of the 1994 Regulations and Part 3 of the 1994 Special Schools Regulations. save that special purpose grant may also be paid to meet expenditure incurred in the transfer of land to trustees pursuant to section 130 of the Education Act 1993.

Consequent on section 93 of the 1993 Act. Part 5 of the Regulations, as did Part 5 of the 1994 Regulations and Part 4 of the 1994 Special Schools Regulations, prescribes the total amount of maintenance grant which may be recovered by the Secretary of State from the local education authority named in a determination under that section.